

International holding company as an optimal structure for optimizing tax liabilities of taxpayers

Garaeva E.

Kazan Federal University, 420008, Kremlevskaya 18, Kazan, Russia

Abstract

© 2015, Asian Social Science. All rights reserved. The paper analyzes the tax issues of holding companies using the example of the EU countries. The article describes and studies a number of ways to optimize the taxation of international holding companies; discusses the challenges currently faced by the tax authorities of different countries in the implementation of tax control over the functioning of the integrated structures. The paper considers advantages and disadvantages of tax optimization of international holding companies, the cost of coming to and going out of the market of a country and doing business there. The author determines the basic functions and purposes of establishing a holding company structure, in the case of its use for tax optimization at all group companies; identifies new opportunities to optimize the taxation of their income in the context of globalization.

<http://dx.doi.org/10.5539/ass.v11n11p137>

Keywords

Globalization, Integrated holding structures, International holding company, Minimization of tax burden, Optimization of taxation, Tax planning